



City of Asheville, NC

Finance Department

Minutes

Finance Committee
3:30 p.m., April 5, 2011
HR Training Room, 6th Floor, City Hall

Present: Committee: Councilman Bill Russell (Chair), Councilman Cecil Bothwell, Councilwoman Esther Manheimer

Staff: Lauren Bradley, Jeff Richardson, Kelley Dickens, Tony McDowell, Steve Shoaf, Cathy Ball, Cheryl Heywood, John Sanchez

- Approval of 3/15/2011 Minutes
 - The 3/15 minutes were approved by the committee.
- Additional Information from Information from March 22 Budget Work Session (Lauren Bradley)
 - Compensation and Benefits
 - At the last budget work session, staff was asked to prepare an analysis of turnover rates in the organization and provide funding options for possible employee salary adjustments in FY 2012. Lauren provided an overview of the analysis and identified possible revenue and cost savings to fund employee compensation.
 - Councilman Russell made a move to not consider employee salary adjustments in fiscal year 2012; this motion was seconded by Councilwoman Manheimer and unanimously carried.
 - Lauren mentioned that there had been discussion about providing the basic health insurance plan to employees (with employee only coverage) at no cost, which would be an option for employees to consider. Currently, the cost for that particular health care coverage is \$3.15 per pay period.
 - Options for Health Clinic
 - Lauren reviewed the potential for costs savings if Mission Hospital were hired as a third party manager for the Health Clinic. Staff will continue to research this option, and recommendations will go to City Council for consideration prior to the 2012-2013 health plan year.

- Solid Waste and Recycling Options
 - The Waste Stream Reduction Pilot program
 - Lauren reviewed information gathered from the solid waste reduction pilot program and the associated cost savings.
 - Recycling Options
 - Lauren explained to the committee that staff has developed an alternative recycling proposal that incorporates larger recycling roll carts.
- Domestic Partner Registry Fees
 - Based on City Council's direction to implement a full cost recovery fee and consideration of stakeholder input, staff developed an estimated full cost recovery fee of \$45.00 per registration.
 - The committee agreed with the proposed registration fee.
- Enterprise Fund Review (Lauren Bradley)
 - Water Rate Study
 - Lauren reviewed the proposed summary of recommended changes for next year.
 - Parking Fund
 - Lauren reviewed the projected parking fund revenue and expense outlook for fiscal year 2011-12. She said that revenues are projected to exceed expenses by \$358, 740 in fiscal year 2011-12 and discussed the transfers into the parking capital improvements fund.
 - Parking Capital Improvements
 - Lauren reviewed the Parking capital improvement projects slated for next year that includes meter replacement, Smart Parking installation, and surface lot improvements. Lauren explained that through the use of an application, Smart Parking would allow a citizen to locate an available parking space.
 - Transit Fund
 - Lauren explained the loss of state funding which will be partially offset by decreases in expenditures. She further explained that we would be paying more for fuel next year and that we have put out an RFP for a new Transit Services management company, which may increase costs.

- Transit Capital Improvements
 - Lauren reviewed the transit capital improvements revenue sources and project costs for fiscal year 2011-12. She also reviewed the capital improvements to include installation of security cameras on buses, 3 bus shelter replacements, bus system signage, and automated vehicle locations system that tracks the location, route and time of buses through an application.
- Golf Fund
 - Lauren stated that revenues are down and expenditures are flat in the golf fund and in order to curb expenditures it would require changes in staffing or consideration of the option to contract the golf course management to a third party.
 - Staff recommendations will be brought back to council with the proposed budget for fiscal year 2011-12.
- General Capital Improvement Program (Lauren Bradley)
 - Lauren gave the committee an overview of the CIP 5 year projections for fiscal year 2012-2016 and a history of expenditures from fiscal year 2007-2011. She explained that the money was split into 5 categories; vehicles, equipment and technology, buildings and facilities, infrastructure and multi-modal. She also outlined the CIP program and revenue sources for fiscal year 2011-12.
 - Councilman Russell suggested that it would be helpful to create a “glossary of terms” describing each category. Lauren said she would put together a slide with that information for the April 12th council worksession.
 - Multi Modal Investments
 - Lauren reviewed the multi modal investments and street and pedestrian safety program. She said that the multi modal investment projects include thirty percent of next years investments.
 - The committee asked whether the street projects were done in-house or not. Cathy Ball explained that depending on the complexity of the project, some projects were done in-house and some were contracted out.
 - Street and Pedestrian Safety Program
 - Councilman Bothwell asked if the pedestrian safety program included sound signals at the crosswalks. Lauren said she would find out the answer to that and let the committee know.

- Multi modal sidewalk program
 - Lauren reviewed the sidewalk maintenance costs and the operating costs associated with the maintenance labor program as well as the new sidewalk construction projects.
- Multi modal:Other
 - Greenway development
 - Lauren stated that debt financing will be used to fund construction of the Beaucatcher/Overlook greenway and land acquisition funds for Town Branch greenway.
 - Infrastructure
 - Lauren discussed the \$2.11 million dollars in infrastructure projects for next year that include traffic signal pole replacements, bridge replacement on Wild Cherry, retaining wall projects on Cherokee and Sunset, a sewer project on Airport road, and waterline projects on Azalea Road, S. Lexington and Melrose.
 - Building and Facilities
 - Lauren reviewed the building and facilities repairs and replacements that total 2.11 million in FY 2011-12. She explained that the repair projects are due to safety requirements and that the general fund contribution to the Civic Center for renovations is part of the agreement to bring the Southern Conference here and begins next year, but is a multi-year project.
 - Equipment, Technology and Vehicle Replacement
 - Lauren said that the equipment and technology vehicle replacement totaling \$325,000 includes vehicle, radio and software replacements, as well as costs associated with the conversion of vehicles to CNG alternative fuel.
 - Green CIP
 - Lauren reviewed the street light retrofit initiate and said that is designed to reduce our carbon footprint by 4% each year over a period of five years.

- Funding Requests from other Agencies (Lauren Bradley)
 - WNC Media Center/URTV
 - Lauren told the committee that the current contract for URTV expires at the end of this month. She further explained that URTV is requesting \$115,000 from each government agency, and said that they claim they may have to close their doors if funding isn't provided.
 - The Committee agreed that they were not in favor of supporting the funding request for URTV at the \$115,000 level.
 - Sports Commission
 - Lauren reviewed the Asheville Buncombe Regional Sports Commission's \$45,000 support request from the City of Asheville.
- Other Business
 - The committee cancelled the next finance committee meeting scheduled for April 26th due to lack of agenda items slated for that date.